



CDBG/HOME APPLICATION WORKSHOP

FY-2018 Community Development Block Grant (CDBG) and
HOME Funding

Presentation Available On-Line



- Click the following links:
 - City of Columbia web site www.como.gov
 - Community Development.
 - Federal Assistance Programs (CDBG and HOME)
 - Grants for Local Organizations

Presentation Overview

- Review Goals of Tonight
- CDBG and HOME
- Presentation overview
 - Estimated funding
 - Income requirements
 - Funding categories
 - Application timeline
- Eligible CDBG activities
- Eligible HOME activities

Presentation Goals



1. Review CDBG/HOME application process.
2. Ensure all attendees understand project eligibility.
3. Identify agencies that plan to submit an application by April 28th.
(Must decide and submit a letter of intent by March 17th)

Competition in 2017 (Last Year)



■ CDBG

- \$1,823,934 in funding requests.
- \$835,000 in funding awarded.
- 7 of 11 proposals were funded.
- 1 was fully funded.

■ HOME

- \$415,000 in funding requests.
- \$400,000 in funding awarded.
- 2 of 3 proposals were funded.

CDBG and HOME



Community Development Block Grant (CDBG)

Federal program to improve low to moderate income households and neighborhoods by creating or enhancing:

- decent housing
- suitable living environment
- economic opportunities.

HOME Investment Partnerships (HOME)

Federal program to create affordable housing for low to moderate income households.

Estimated Funding

- **2018 CDBG Funding**-CFDA No. 14.218
 - Approximately \$830,000.
 - Funding estimated to be available July/Aug. of 2018
- **2018 HOME Funding**-CFDA No. 14.218
 - Approximately \$400,000.
 - Funding estimated to be available July/Aug. of 2018

Application Process

- Review Consolidated Plan: eligible activities.
- Proposals submitted via Apricot web-based system.
 - If new to Apricot or need update, please see me after the meeting to schedule assistance.
 - *Letter of intent is required by March 17th in order to be eligible to apply for funds*.

Letter of Intent, Due 3/17/17 11:59 pm

- Brief summary of project to apply for funds.
- Estimated funding application amount and type (CDBG or HOME)
- *Important*: Include primary contact for application and staff member responsible for submitting using the on-line system.
- Can be submitted via email to Randy Cole: Randall.Cole@como.gov

****Must be received by 11:59pm March 17th 2017****

Letter of Intent Example



701 E. Broadway
PO Box 6015
Columbia, MO 65201-6015

Dear Randy Cole:

This letter is to inform you of our organization's intent to apply for CDBG funds to renovate our youth center. We serve low-income at risk youth with mentoring and learning opportunities through various programs we operate. Our facility needs a new HVAC system and energy efficiency upgrades. We intend to apply for approximately \$50,000 in CDBG funds for these renovations.

John Doe is our grants manager and will be responsible for submitting our CDBG application through your on-line system. His email is jdoe@example.org and his phone number is 573-777-7777. John will be contacting you to set up a time to review utilizing the Apricot system.

Sincerely,
Jane Doe
Executive Director

Low to Moderate Income

- All funded projects must benefit low to moderate income individuals or households.
- Current HUD defined 80% area median income

Household Size	Income Limit
1-person	\$ 39,000
2-person	\$ 44,600
3-person	\$ 50,150
4-person	\$ 55,700

Con-Plan: Eligible Funding Categories

Economic development

- Job training
- Micro-lending

Affordable housing

- New single family or multi-family construction (Generally only HOME eligible)
- Single family or multi-family rehabilitation
- Homebuyer assistance

Community facilities

- Non-profit renovation, expansion, acquisition, or construction of facilities serving youth, homelessness, ex-offenders, and mental health

Fair housing

- Fair housing counseling
- Outreach and education

Neighborhood needs

- Sidewalks
- Bus shelters
- Demolition

CDBG/HOME APPLICATION TIMELINE



- March 17, 2017: Required letter of intent due by 11:59 pm
- April 28, 2017: Deadline for 2018 CDBG/HOME Applications, 11:59pm
- May 17, 2017: CDC Public Hearing for City Project Requests
- June 7, 2017: CDC Public Hearing for Agency Requests
- June 21, 2017: CDC Meeting to make Recommendations for CDBG and HOME Projects

CDBG APPLICATION TIMELINE (CONTINUED)

- August 21, 2017: (tentative) Estimated Date Council Hears 2018 CDBG and HOME Budget Request
- September 18, 2017: Council Approves 2018 CDBG Budget
- January??? 2018: HUD Notifies City of final funding allocations.
- April?? 2018: Council adopts final Annual Action Plan with budget actuals
- April-May 2018: Environmental Reviews completed
- July-August, 2018: Sign Agreements for 2018 Funding with City
- August-Sept., 2018: Start Project
- September 30, 2019: Projects Completed

CDBG or HOME

- If you are unsure if you should apply for CDBG or HOME funds at the end of the presentation, please stay after and speak with me.

CDBG HOUSING:

ELIGIBLE ACTIVITIES



- Rehabilitation, housing repair, accessibility improvements
- Homeownership Assistance
- On-Site infrastructure improvements, including demolition
- Property acquisition
- Inspections, lead hazard evaluations, rehabilitation administration
- Homebuyer education
- Fair housing counseling-(Public Service Activity)
- Housing infrastructure that will be publicly owned.

CDBG HOUSING:

Income Documentation

- Occupants must be low to moderate income. (80% AMI or below)
- An application must be submitted by the property owner.
- Requires income verification according to HUD/City guidelines as projects are identified

CDBG-COMMUNITY FACILITIES:

Eligible Activities

- Acquisition, renovation, new construction for the following types of facilities:
 1. Youth
 2. Homelessness
 3. Ex-offenders
 4. Mental Health

Community Facilities



Park Avenue Head Start

Health Department Facility



CDBG COMMUNITY FACILITIES:

Income Documentation

- For existing facilities, survey FY 2018 beneficiaries
- For new services and facilities,
 - Survey beneficiaries for six months after the facility opens.

CDBG-ECONOMIC DEVELOPMENT:

Eligible Activities

- Job Training (Public Service Activity).
- Micro-enterprise: loans to businesses with 5 or fewer employees.
 - Must be owned by low to moderate income household.
 - Or, at least 51% of employees meet criteria for being low to moderate income.
 - Based on household income.
 - Based on geography of employee
 - Resides within census tract with at least 70% LMI households.
 - Based on geography of business
 - Located within a census tract with a poverty rate of at least 20%, and census block has poverty rate at least 20%.

PUBLIC SERVICE ACTIVITY LIMITS

- Public Service Activities (Job Training, fair housing counseling)
 - Must increase level of service or be a new service.
 - CDBG funds cannot substitute for agency funds.
 - Only 15% of total CDBG budget available
 - $15\% \times \$830,000 = \underline{\$124,500}$

CDBG NEIGHBORHOOD NEEDS

Eligible Activities

- Sidewalks.
- Bus Shelters.
- Demolition of dilapidated structures.



Previous Neighborhood Needs Example Projects



Worley Sidewalks

Hunt Street Improvements



CDBG NEIGHBORHOOD NEEDS

INCOME DOCUMENTATION



- Census data, CDBG eligible area
 - CDBG Eligible Area Map on City Website under “Maps”
- ADA improvements are assumed low income.
 - Beneficiaries are still surveyed after the improvements are completed.
 - 51% of beneficiaries must be LMI.

CDBG SLUM AND BLIGHT OBJECTIVE:

ELIGIBLE PROJECTS

- Demolition of dilapidated buildings on public property.
- Demolition of dilapidated housing.

Neighborhood Needs Example Projects

Demolition of 603 N. Fourth



Before



After

HOME PROGRAM:

ELIGIBLE PROJECTS



- Owner Occupied Rehabilitation
- Rental Rehabilitation
- New Construction of Owner Occupied Housing
- New Construction of Rental Housing
- Homeownership Assistance (Existing Housing and New Construction)

HOME PROGRAM ELIGIBLE COSTS

- Architectural
- Inspections
- Other Professional Services
- Acquisition of Property
- Demolition
- Construction
- Relocation
- Down-payment and Closing Costs

Affordable Housing Example Projects



908 Madison

904 Madison





1004 N. 7th St.

\$34,725
HOME Funds



602 Florence

\$34,725
HOME Funds



Affordable Housing Example Projects



ELIGIBLE HOME RECIPIENTS

- City of Columbia
- Not-for-profit or public agencies administering housing programs.
- Community Housing Development Organizations (CHDO)
 - Board structure (1/3 low income & no more than 1/3 public officials)
 - Housing development capacity
 - Not for profit
- For-profits completing a project consistent with HUD requirements
 - Affordability period
 - Rent/purchase price requirements
 - Income verification for occupants.

OWNER OCCUPIED REQUIREMENTS



- 80% area median income or below.
- City property maintenance codes and rehab standards for rehabs.
- All new construction must meet current International Energy Conservation Code (IECC) and minimum energy efficiency standards adopted by the City and include minimum Universal Design requirements.

Universal Design Requirements



1. At least one accessible, no-step entrance with at least a 36" door on an accessible route from site entry point; max threshold height: 1/4" vertical, 1/2" beveled (1:2 slope);
2. Maximum 1:20 running slope and 1:50 cross-slope for exterior accessible routes;
3. 36" wide clear travel space along accessible routes;
4. 60" x 60" level (less than 2% slope in any direction) maneuvering space clear of door swing at accessible entrances; 18" clear space on pull side of door;
5. One wheelchair accessible bathroom; See City staff.
6. Minimum 32" interior door panel and 42" hallways; 18" clear space on pull side of all doors, minimum of 30" x 48" approach space on push side.
7. First floor switches and environmental controls shall be placed no higher than 48 inches above the finished floor and electrical outlets no lower than 15 inches above the finished floor to bottom outlet. Any switches/outlet above kitchen cabinets/bathroom vanity shall be placed no higher than 45 inches above the finished floor to switch or top outlet;
8. Nominal 2x8 blocking placed in appropriate locations between studs to support installation of grab bars in the tub/shower and toilet areas of the wheel chair accessible restroom.

RENTAL HOUSING REQUIREMENTS

- Serves occupants at 60% area median income or below
- Affordability period will continuously be monitored
 - Occupant income verification
 - Rent rates
- Typically in conjunction with an application to MHDC.
- Assistance to the developer is in the form of a loan
 - Typically 1%, amortizing for private developers and 0%, due on title transfer for non-profits, loan terms are dependent on project size and subsidy layering review

Miscellaneous HOME Requirements

- Property Standards apply to the entire development.
- A deed of trust and promissory note for all projects;
- HOME funds for rental production projects are provided in the form of a loan, with terms based upon a financial analysis of the project (subsidy layering requirements).

STATE AND FEDERAL REQUIREMENTS



- Prevailing Wage Requirements
 - CDBG
 - Public facilities (community facilities, infrastructure, etc...)
 - Developments consisting of 8 or more units of housing units.
 - HOME
 - Developments consisting of 12 or more units.
- Uniform Relocation Act (If site is currently occupied)
- Accessibility must be included with project design
- Equal Opportunity for Employers
- 2 CFR PART 200
 - Administrative requirements.
 - Cost principles.
 - Audit requirements.

Audit Requirements

Financial Audit Requirements		
Combined Annual Income of Organization	Allowable Form of Financial Statement Assurance	Required Accompanying Document
<\$25,000	Compiled (Full Disclosure), Reviewed, or Single Audit	None
≥\$25,000	Reviewed or Single Audit	Communications from auditor



PROJECT CONSIDERATIONS

- Funding is provided for projects, rather than organizations.
- Project risk...
- Site control
- Neighborhood involvement
- Planning and zoning compliance
- Environmental impact:
 - Historic preservation
 - Hazardous substances (lead, asbestos)
 - Storm water
 - Impact on public utilities
 - Phase I environmental review certain projects...see City staff

Project Budget: Sources and Uses

- Determine total project costs
- Determine organizational, or non-CDBG/HOME funds available
- Determine CDBG/HOME funding amount needed
- Determine the appropriate activity to allocate CDBG/HOME funding to
- Provide letters of commitment from other funding sources

CDC APPLICATION RATING CRITERIA

- Organizational Management (2x)
 - Financial Management (2x)
 - Past Performance (2x)
 - Community Need (3x)
 - Quality of Outcomes (3x)
 - Number of Persons Served and Value
 - Personnel and Staff Expertise
 - Project Location
 - Project Timeline
-
- *Important*: The rating sheet is a tool for the Commission, not an end all for determining funding.

PRESENTATION TO COMMISSION

- Presentations for CDBG and HOME funded public project requests will be held on May 17, 2017.
- Presentations for local organization CDBG and HOME fund requests will be heard by the CDC on June 7, 2017.
- CDC will hold a hearing on June 21, 2017 to make final recommendations for funding.
- City Council will make final consideration at August 21, 2017 budget hearing.
- ***Important*: This is a competitive process.**
 - Some applications will not be funded.

Application Submission

- Review rating criteria
- Be succinct
- Meet with City staff regarding Apricot funding system, as needed
- Address all items listed in the instructions
- Meet with CD staff to ensure project eligibility
- Applications are due April 28, 2017
- Review staff memo prior to June 7th meeting.



QUESTIONS

- Randy Cole:
 - 573-874-6321
 - Randall.Cole@como.gov